

# Order

**Michigan Supreme Court  
Lansing, Michigan**

May 27, 2015

Robert P. Young, Jr.,  
Chief Justice

ADM File No. 2014-10

Stephen J. Markman  
Mary Beth Kelly

Administrative Order No. 2015-4

Brian K. Zahra

Bridget M. McCormack

David F. Viviano

Richard H. Bernstein,  
Justices

Authorization of Pilot Program  
to be Implemented in the  
36th, 46th, and 47th District  
Courts

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## **Automated State Income Tax Garnishment Pilot Project in 36th District Court, 46th District Court, and 47th District Court**

On order of the Court, effective immediately, the 36th, 46th, and 47th District Courts are each authorized to operate a pilot program for processing requests for writs of state income tax garnishment through the enhanced GarnIT system. Participation by plaintiffs in this pilot program is voluntary for 2015.

The courts and the State Court Administrative Office (SCAO) will track the effectiveness of the pilot programs and report the results to the Supreme Court after January 1, 2016.

### **1. Purpose and Construction.**

The purpose of this second pilot project is to expand the use of GarnIT to multiple courts, develop a standard procedure for adding future courts, and enhance some of the features piloted in 2014. Except for matters related to the transmission of requests and writs for state income tax garnishments through GarnIT during the pilot, the Michigan Court Rules govern all other postjudgment proceedings concerning the cases involved in the pilot.

### **2. Definitions.**

- (a) “ACH” means Automated Clearing House, an electronic network for financial transactions in the United States.
- (b) “Batch” means an electronic submission that contains one or more case records.
- (c) “CEPAS” means Centralized Electronic Payment Authorization System.

- (d) “Clerk” means the clerk of the court for the 36th, 46th, or 47th District Courts.
- (e) “Court” means the 36th, 46th, or 47th District Courts.
- (f) “Department” means the Department of Treasury.
- (g) “Electronic submission” means the submission of one or more requests that result in the recording of data into the courts’ case management systems.
- (h) “File format” means the format for submitting batch income tax garnishment transactions to the GarnIT for processing.
- (i) “GarnIT” means the web-based system for processing requests and writs for state income tax garnishments.
- (j) “MCR” means the Michigan Court Rules.
- (k) “Pilot” means the court innovation initiative tested in the 36th, 46th, and 47th District Courts and the Michigan Department of Treasury in conjunction with IBM and under the supervision of SCAO. This web-based application facilitates the electronic processing of income tax garnishments in the 36th, 46th, and 47th District Courts. The pilot program is expected to launch August 20, 2015, and will continue until December 31, 2015. If it is successful, the program will be evaluated for statewide use.
- (l) “Transaction” means the request and writ for income tax garnishment electronically processed pursuant to the pilot.

### **3. Participation in GarnIT**

Use of GarnIT for submitting requests for income tax garnishments to the courts begins on August 20, 2015, and shall be voluntary during the pilot.

### **4. Electronic Submission and Acceptance of Submission with the Court; Signatures; Statutory Service and Process Fees**

- (a) Plaintiffs who choose to use GarnIT will submit requests under the rules in this administrative order and agree to comply with GarnIT’s technical requirements. GarnIT will reject requests that do not meet GarnIT’s validation requirements and that do not conform to the technical requirements of GarnIT.

- (b) Except when maintenance to the case management system or GarnIT is being performed, requests may be submitted to the court and will be processed 24 hours a day, seven days a week through GarnIT.
- (c) A request submitted under these rules shall be deemed to have been signed by the plaintiff and filed with the clerk. Electronic signatures shall use the following form: */s/ John L. Smith.*
- (d) By using GarnIT, the plaintiff acknowledges compliance with the rules in this administrative order and acceptance of the business process as specified in this administrative order.
- (e) The statutory service fee for issuing a writ (hereinafter referred to as the “filing fee”) shall be paid electronically at the same time the writ is issued and in the same amount as required by statute.
- (f) The court shall pay the fees associated with the use of credit cards or the cost of establishing Automated Clearing House (ACH) for payment of the filing fees.
- (g) Each plaintiff shall provide one e-mail address with the functionality required for GarnIT.

## **5. Format and Form of Electronic Submission**

- (a) A plaintiff may file only one request per case per defendant.
- (b) A plaintiff may submit multiple transactions within a single batch, subject to subrule 5(a).
- (c) All submissions must comply with the technical requirements of GarnIT and MCR 1.109.
- (d) The court will maintain a digital image of each order issued, in accordance with subrule 11.

## **6. Validation of Requests; Notice of Writs and Rejected Requests; Payment and Receipt**

- (a) GarnIT will compare data from submitted requests against data in the court’s case management system and will validate:
  - (1) the party information,

- (2) the name of the plaintiff's attorney, if one exists,
  - (3) the case number,
  - (4) the existence of an unsatisfied judgment on file,
  - (5) that the judgment has not expired,
  - (6) that the 21-day period required before enforcing the judgment has passed, and
  - (7) that there is no bankruptcy case pending.
- (b) GarnIT will compare a plaintiff attorney name from a submitted request against data in the case management system, and if the name is validated, GarnIT will provide the address from the case management system. Judicial Information Systems will update the case management system with address information provided by the State Bar of Michigan on a quarterly basis.
- (c) If a plaintiff's attorney is designated to receive money from a garnished income tax refund on behalf of the plaintiff, GarnIT will omit the plaintiff's address from the validation requirements. The plaintiff's name will be validated and included in the request, but the plaintiff's address on file with the court, if any, will not be included in the request.
- (d) If a request does not meet the validation criteria, GarnIT will display an error message to the filer indicating a validation failure in the writ field. Instructions to the plaintiff for handling validation failure will be available through GarnIT. The instructions will include what steps, if any, the plaintiff can take to correct discrepancies in data between the court's case management system and the official court documents on which the plaintiff is basing the request.
- (e) GarnIT will apply a formula to the amount of costs supplied by the plaintiff, and if they exceed the programmed threshold, GarnIT will display a message to the filer indicating that the amounts appear to be inaccurate. Instructions for how to proceed will be available through GarnIT. The filer can correct the amounts and proceed with the submission or, if the filer believes that the amounts are accurate, may file the request with the court manually.
- (f) Filing fees under MCL 600.2529(1)(h) will be collected through CEPAS on each validated request.

- (g) GarnIT will notify the plaintiff regarding the submitted requests including payment receipt numbers and a link for printing the writs for purposes of service on the department and the defendant in accordance with Rule 8.

## **7. Format and Generation of Writs; Payment Processing**

- (a) For each validated request, GarnIT will produce a secure electronic equivalent of SCAO-approved form MC 52, Request and Writ for Garnishment (Income Tax Refund/Credit), which constitutes issuance of a signed writ.
- (b) GarnIT will update the court's case management system with respect to each writ issued.
- (c) GarnIT will update the court's case management system with respect to fees collected.

## **8. Service on the Department and the Defendant**

- (a) The plaintiff shall print all issued writs and serve them on the department and the defendant in accordance with existing court rules.
- (b) After service is completed, the plaintiff shall record proof of service in GarnIT by completing an attestation for each recipient that service was completed, including the date of service and the amount of any fee charged.
- (c) The plaintiff shall maintain the proof of service so that it can be produced upon request if necessary in further proceedings in the case.

## **9. Correcting Data in the Court's Case Management System**

If the plaintiff receives an error message as indicated in Rule 6b, the following procedure shall be followed by the plaintiff and the court:

- (a) If the error is the result of incorrect data provided by the plaintiff, the plaintiff may correct the data and resubmit the request through GarnIT in accordance with the instructions and requirements of GarnIT.
- (b) If the plaintiff believes the error is the result of incorrect data in the court's case management system, the plaintiff shall submit an e-mail request to correct the data, along with supporting documentation, in accordance with the instructions and requirements of GarnIT. Within 24 hours after receipt of a request to correct data and supporting documentation, the court shall handle the request. If the court determines that the discrepancy is the result of clerical error by the court, the court

will correct the data in the case management system and send an e-mail response to the plaintiff indicating what action was taken and informing the plaintiff that the request can be resubmitted in GarnIT. If the court determines that the discrepancy is not the result of clerical error by the court, the court will send an e-mail response to the plaintiff indicating that fact.

- (c) If the plaintiff wants to request that data in a case be changed for a reason other than a data entry error, the plaintiff must file a notice of the change with the court.

## **10. Technical Malfunctions**

The GarnIT website will provide instructions regarding what action to take if the plaintiff experiences a technical malfunction using GarnIT or has other technical difficulties using GarnIT that cannot be resolved by the plaintiff.

## **11. Official Court Record; Record Retention**

- (a) For purposes of this pilot program, the electronic data and the electronic equivalent of SCAO-approved form MC 52, Request and Writ for Garnishment (Income Tax Refund/Credit), produced by and through the GarnIT transaction and subsequently maintained in the case management system constitutes the official court record and meets the record retention and public access requirements of the court rules and General Records Retention and Disposal Schedule #16 – Michigan Trial Courts.
- (b) A request and writ processed by GarnIT can be generated or printed on demand by the clerk. The request and writ maintained by the court will not contain the social security numbers or federal identification numbers of the parties.
- (c) If a request is made for a certified copy of a request and writ processed by GarnIT, the clerk shall print the document and certify it in compliance with the Michigan Trial Court Case File Management Standards.

## **12. Privacy Considerations**

In each submission to GarnIT, the plaintiff shall provide the social security numbers and federal identification numbers of the parties for use in the data file and writs issued for service on the department. The social security numbers or federal identification numbers will not be retained by GarnIT or the court after requests are validated and writs are issued and printed in accordance with rules 6 and 7 of this order.

## **13. Expiration**

Unless otherwise directed by the Michigan Supreme Court, this pilot project will continue until December 31, 2015.



I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

May 27, 2015

A handwritten signature in black ink, appearing to read "Larry S. Royster", is written over a horizontal line.

Clerk